

This Supplier Conduct Principles has been established to ensure safe working conditions throughout Ovun's supply chain, ensuring that workers are treated with respect and dignity, that business operations are environmentally sound, and that business is conducted in accordance with internationally recognized principles for business ethics.

To achieve this, we expect our suppliers to provide us with transparent information about the conditions in these guidelines upon request. This includes, but is not limited to, detailed information about their environmental impact, ethical practices, and working conditions, which should be readily accessible and regularly updated to ensure continuous compliance and improvement.

Ovun takes a partnership approach to suppliers in an effort to pursue these principles. Consequently, Ovun will:

- Seek continuous improvement on the part of suppliers within the areas covered by this principles. If suppliers fail to comply with the standards in these principles, Ovun's general policy is to encourage improvement, not to terminate the contract. Welcome rather than penalize suppliers by identifying activities that do not measure up to these standards (by themselves or with sub-contractors) and who agree to pursue improvements.
- Consider a similar ethical trading standard as a reasonable alternative if suppliers are already working to achieve similar standards.

Ovun expects all its suppliers to comply with, or actively pursue compliance with, the following requirements:

1. National legislation

In all of their activities, Ovun's suppliers must operate in full compliance with the legislation, rules and regulations of the countries in which they operate. Where the provisions of applicable local laws and the Principles address the same subject, and they are not in conflict, the highest standard shall be applied.

Where any of the requirements in the Principles conflict with applicable local legislation in the sense that it would represent a breach of applicable local legislation if the Principles were applied, the highest standards that are consistent with applicable local legislation shall be applied

2. Human rights

Suppliers are expected to actively uphold and respect the protection of internationally recognized human rights as outlined in key documents like the United Nations Universal Declaration of Human Rights. They must also ensure that their business practices in no way contribute to, or are complicit in, any form of human rights abuses.

3. Labour rights

Suppliers are expected to be committed to upholding the human rights of workers, and to treat them with dignity and respect as understood by the international community. The human rights of workers are defined in the International Labour Organisation Conventions. The requirements are:

3.1 Freely Chosen Employment

Forced, bonded or indentured labour or involuntary prison

labour shall not be used. All work will be voluntary, and workers shall be free to leave upon reasonable notice.

Workers shall not be required to lodge government-issued identification, passports or work permits to the Supplier or Labour Agent as a condition of employment.

3.2 Child Labour Avoidance

Child labour shall not be used. The term “child” refers to any person under the age of 15 (or 14 where the law of the 1 ILO Convention 29 (Forced labour) and 105 (Abolition of forced labour).2 ILO Convention 138 (Minimum age), Convention on the Rights of the Child Art 31(Leisure, play and culture) and Art. 32 (Child labour) or under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is highest.

Workers under the age of 18 shall not perform work that is likely to jeopardise the health or safety of young workers.

Where young workers are subject to compulsory education laws, they may work only outside of school hours. In cases where child labour occurs, companies shall develop programmes which provide for the transition of any child found to be performing child labour to enable her or him to attend and remain in quality education until no longer a child.

3.3 Working Hours

Work weeks are not to exceed the maximum set by local law. Further, a normal work week should not on a regular basis exceed 60 hours per week, including overtime.

All overtime work should be voluntary, other than as permitted in the following:

Where the company is party to a collective bargaining agreement freely negotiated with labour organisations representing a significant portion of its workforce, it may require overtime work in accordance with such agreement to meet short-term business demand.

Workers shall be allowed at least one day off per seven-day week.

3.4 Wages and Benefits

Wages paid for a normal work week shall always meet at least legal or industry minimum standards and shall be sufficient (3 ILO Convention 1 (Working Hours) 4 ILO Convention 131 (Minimum wage fixing) to meet the basic needs of personnel and to provide some discretionary income. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages shall not be permitted as a disciplinary measure. The basis on which workers are paid is to be specified in a timely manner via a pay stub or similar documentation.

3.5 Humane Treatment

The supplier’s disciplinary policies and procedures shall be clearly defined and communicated to workers. There shall be no harsh or inhumane treatment, including no sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of workers: nor is there to be a threat of any such treatment.

3.6 Non-Discrimination

Companies shall not engage in discrimination based on gender, race, religion, sexual orientation, colour, age, ethnicity, disability, pregnancy, political affiliation, union membership or marital status when hiring or in conjunction with employment practices such as promotions, rewards, and access to training.

In addition, workers or potential workers should not be subjected to medical tests that could be used in a discriminatory way.

3.7 Freedom of Association

Open communication and direct engagement between workers and management are the most effective ways to resolve workplace and compensation issues.

Suppliers shall respect the rights of workers to associate freely, to join or not to join labour unions, to seek representation, join workers’ councils in accordance with local legislation, etc. Workers shall be able to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment. Where the right to freedom of association and collective bargaining are restricted under national legislation, the Supplier shall allow workers to freely elect their own representatives.

4. Health & safety

4.1 Occupational Safety

Worker exposure to potential safety hazards shall be minimized through proper design, engineering and administrative controls, preventative maintenance and safe work procedures as well as by ongoing safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective gear. Workers shall not be disciplined for raising safety concerns.

4.2 Emergency Preparedness

Emergency situations and events shall be identified and assessed, and their impact minimised by implementing emergency plans and response procedures, including emergency reporting, employee notification and evacuation procedures, worker training and drills, appropriate fire detection and extinguishing equipment, adequate exit facilities and recovery plans.

6 ILO Convention 155 and Recommendation 164

4.3 Occupational Injury and Illness

Procedures and systems shall be in place to prevent, manage, track and report occupational injury and illness, including provisions to encourage worker to report, classify and record injury and illness cases, provide necessary medical treatment, investigate cases and implement corrective actions to eliminate their causes, and to help workers return to work.

4.4 Sanitation, Food, and Housing

Workers are to be provided with ready access to clean toilet facilities, water fit for human consumption and sanitary food preparation, storage, and eating facilities. Worker dormitories provided by the Supplier or a labour agent are to be kept clean and safe, and provided with appropriate emergency exits, hot water for bathing or showering, and adequate heat and ventilation, as well as reasonable personal space along with reasonable entry and exit privileges

5. The environment

In manufacturing operations, adverse effects on the community, the environment and natural resources are to be minimised while safeguarding the health and safety of the public.

5.1 Pollution Prevention and Resource Reduction

Waste of all types, including wastewater and energy, are to be reduced or eliminated at source or by practices such as the modification of production, maintenance and facility processes, materials substitution, conservation and the recycling and reuse of materials.

5.2 Hazardous Substances

Chemical and other materials that pose a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, use, recycling or reuse and disposal.

5.3 Wastewater and Solid Waste

Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be characterised, monitored, controlled and treated as required prior to discharge or disposal.

5.4 Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products generated from operations are to be characterised, monitored, controlled and treated as required prior to discharge.

5.5 Greenhouse Gases (GHG)

Suppliers are expected to identify, measure and report greenhouse gases generated from operations. Plans should be established for how to reduce the GHG emissions.

5.6 Water

In areas vulnerable to a scarcity of freshwater, suppliers are expected to seek ways to measure and disclose the use of freshwater. Plans should also be established for how to reduce the use of freshwater in operations.

5.7 Environmentally friendly technologies

Suppliers are expected to choose environmentally effective technologies in their own production processes, to seek to apply environmentally effective components and to strive to increase the use of technologies that reduce emissions of greenhouse gases

5.8 Environmental Permits and Reporting

All required environmental permits, approvals and registrations are to be obtained, maintained and kept current, and their operational and reporting requirements are to be followed.

6. Anti- corruption

6.1 Business Integrity

The highest standards of integrity are to be expected in all business interactions. Suppliers and their agents shall prohibit any and all forms of corruption, extortion and embezzlement. Monitoring and enforcement procedures shall be implemented to ensure conformance.

6.2 No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not to be offered or accepted.

7. Ethical business practices

Suppliers and their agents are to uphold the highest standards of ethics including:

7.1 Disclosure of Information

Information regarding business activities, structure, financial situation and performance shall be disclosed in accordance with applicable regulations and prevailing industry practices

7.2 Intellectual Property

Intellectual property rights shall be respected; the transfer of technology and know-how shall be done in a manner that protects intellectual property rights.

7.3 Fair Trading, Advertising and Competition

Standards for fair trading, advertising and competition are to be upheld. Appropriate means should be available to safeguard customer information.

7.4 Protection of Identity Programmes shall be implemented to ensure confidentiality and protection of Supplier and employee raising concerns.

7.5 Money Laundering

The Supplier is expected to be firmly opposed to all forms of money laundering and shall take steps to prevent its financial transactions from being used by others to launder money.

7.6 Defence Industry Disclosure

For suppliers of components for military products, management and each individual employee should maintain full transparency, bearing in mind that they are part of the value chain in the defence industry.

7.7 Conflict minerals

The Supplier is expected to avoid the use of conflict minerals that contribute to the financing of conflicts and human rights abuses. This includes, but is not limited to, minerals such as tin, tantalum, tungsten, and gold, which are mined in conflict areas, especially in the Democratic Republic of Congo and adjacent countries.

The Supplier is expected to conduct due diligence of supply chains to identify and address risks associated with the extraction, trade, and handling of conflict minerals. Provide transparent information about the origin of the minerals used in products when required.

8. Implementation

8.1 Management System

Suppliers are expected to adopt or establish a management system related to the content of these Principles. The management system shall be designed to ensure compliance with applicable legislation and regulations, conformance with this Principles and identification and mitigation of operational risks related to these Principles. It should also facilitate continuous improvement.

8.2 Responsibilities

The Supplier should designate an individual in a senior management position to ensure compliance with the Principles.

8.3 Access for verification

In the event of announced and unannounced audits of the Supplier or the purpose of verifying compliance with the requirements in this document, Ovun`s personnel, Ovun customer or Ovun consultants shall have unlimited access to any part of the premises where work under the contract is being performed. This also includes work performed at the subcontractor`s suppliers` premises.

8.4 Records

The Supplier is expected to maintain appropriate records to demonstrate conformance with the requirements of this Principles.

8.5 Communication of the Principles

Suppliers are expected to communicate the requirements of this Principles to all workers, suppliers or sub-contractors engaged in their supply chain. Suppliers should take steps to ensure that their suppliers and sub-contractors comply with requirements of this Principles. Suppliers should also provide means for employees to report on or discuss non-compliance confidentially.